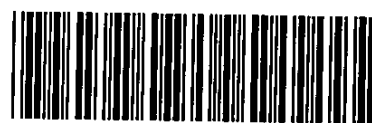


**Registered number: 2595720**

**OCEANA INVESTMENT CORPORATION LIMITED**

**DIRECTORS' REPORT AND FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2012**

WEDNESDAY



LD3 31/10/2012 #293  
COMPANIES HOUSE

---

**OCEANA INVESTMENT CORPORATION LIMITED**

---

**COMPANY INFORMATION**

---

**DIRECTORS**

M Lewis  
P Press  
S Aaron

**COMPANY SECRETARY**

J A Fester

**COMPANY NUMBER**

2595720

**REGISTERED OFFICE**

56 Conduit Street  
London  
W1S 2YZ

**AUDITOR**

Crowe Clark Whitehill LLP  
St Bride's House  
10 Salisbury Square  
London  
EC4Y 8EH

**BANKERS**

The Royal Bank of Scotland  
250 Regent Street  
London  
W1A 4RY

---

**OCEANA INVESTMENT CORPORATION LIMITED**

---

**CONTENTS**

---

|   | <b>Page</b>   |
|---|---------------|
| <b>Directors' report</b>                              | <b>1 – 2</b>  |
| <b>Independent auditor's report</b>                   | <b>3 - 4</b>  |
| <b>Profit and loss account</b>                        | <b>5</b>      |
| <b>Statement of total recognised gains and losses</b> | <b>6</b>      |
| <b>Balance sheet</b>                                  | <b>7</b>      |
| <b>Notes to the financial statements</b>              | <b>8 - 15</b> |

---

# **OCEANA INVESTMENT CORPORATION LIMITED**

## **DIRECTORS' REPORT FOR THE YEAR ENDED 31 MARCH 2012**

---

The directors present their report and the financial statements for the year ended 31 March 2012

### **STATEMENT OF DIRECTORS' RESPONSIBILITIES**

The directors are responsible for preparing the Directors' report and the financial statements in accordance with applicable law and regulations

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period. In preparing these financial statements, the directors are required to

- select suitable accounting policies and then apply them consistently,
- make judgments and estimates that are reasonable and prudent,
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

### **PRINCIPAL ACTIVITIES**

The company operates as an investment company and provider of investment advisory services.

### **DIRECTORS**

The directors who served during the year were

M Lewis  
P Press  
S Aaron

**OCEANA INVESTMENT CORPORATION LIMITED**

**DIRECTORS' REPORT  
FOR THE YEAR ENDED 31 MARCH 2012**

---

**PROVISION OF INFORMATION TO AUDITOR**

Each of the persons who are directors at the time when this Directors' report is approved has confirmed that


- so far as that director is aware, there is no relevant audit information of which the company's auditor is unaware, and
- that director has taken all the steps that ought to have been taken as a director in order to be aware of any information needed by the company's auditor in connection with preparing its report and to establish that the company's auditor is aware of that information

**AUDITOR**

The auditor, Crowe Clark Whitehill LLP, will be proposed for reappointment in accordance with section 485 of the Companies Act 2006

In preparing this report, the directors have taken advantage of the small companies exemptions provided by section 415A of the Companies Act 2006

This report was approved by the board and signed on its behalf



**M. Lewis**  
Director

Date      17 OCT 2012

## **OCEANA INVESTMENT CORPORATION LIMITED**

### **INDEPENDENT AUDITOR'S REPORT TO THE SHAREHOLDERS OF OCEANA INVESTMENT CORPORATION LIMITED**

---

We have audited the financial statements of Oceana Investment Corporation Limited for the year ended 31 March 2012 which comprise a profit and loss account, statement of total recognised gains and losses, balance sheet and notes numbered 1 to 15, set out on pages 5 to 15. The financial reporting framework that has been applied in their preparation is applicable law and the Financial Reporting Standard for Smaller Entities (effective April 2008) (United Kingdom Generally Accepted Accounting Practice applicable to Smaller Entities).

This report is made solely to the company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an Auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

#### **RESPECTIVE RESPONSIBILITIES OF DIRECTORS AND AUDITOR**

As explained more fully in the statement of Directors' responsibilities, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view. Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

#### **SCOPE OF THE AUDIT OF THE FINANCIAL STATEMENTS**

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of whether the accounting policies are appropriate to the company's circumstances and have been consistently applied and adequately disclosed, the reasonableness of significant accounting estimates made by the directors, and the overall presentation of the financial statements. In addition, we read all the financial and non financial information in the Directors' report to identify material inconsistencies with the audited financial statements. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

We have undertaken the audit in accordance with the requirements of APB Ethical Standards including APB Ethical Standards Provisions Available for Small Entities, in the following circumstances:

- In common with many other businesses of this size and nature, the company uses our firm to prepare and submit returns to the tax authorities and assist with the preparation of the financial statements.

#### **OPINION ON FINANCIAL STATEMENTS**

In our opinion the financial statements

- give a true and fair view of the state of the company's affairs as at 31 March 2012 and of its profit for the year then ended,
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice applicable to Smaller Entities, and

**OCEANA INVESTMENT CORPORATION LIMITED**

**INDEPENDENT AUDITOR'S REPORT TO THE SHAREHOLDERS OF OCEANA INVESTMENT CORPORATION LIMITED**

---

- have been prepared in accordance with the requirements of the Companies Act 2006

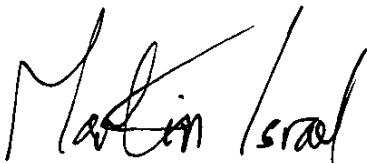
**OPINION ON OTHER MATTER PRESCRIBED BY THE COMPANIES ACT 2006**

In our opinion the information given in the Directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements

**MATTERS ON WHICH WE ARE REQUIRED TO REPORT BY EXCEPTION**

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us, or
- the financial statements are not in agreement with the accounting records and returns, or
- certain disclosures of directors' remuneration specified by law are not made, or
- we have not received all the information and explanations we require for our audit, or
- the directors were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemption in preparing the Directors' report



Martin Israel (Senior statutory auditor)

for and on behalf of  
**Crowe Clark Whitehill LLP**

Statutory Auditor

St Bride's House  
10 Salisbury Square  
London  
EC4Y 8EH  
Date.

17 October 2012

**OCEANA INVESTMENT CORPORATION LIMITED**

**PROFIT AND LOSS ACCOUNT  
FOR THE YEAR ENDED 31 MARCH 2012**

|  | Note | 2012                | 2011<br>£               |
|--|------|---------------------|-------------------------|
| <b>Turnover</b>                                      | 1 2  | <b>784,939</b>      | 658,325                 |
| Administrative expenses                              |      | <u>(2,153,227)</u>  | <u>(1,714,379)</u>      |
| <b>Operating loss</b>                                |      | <b>(1,368,288)</b>  | <b>(1,056,054)</b>      |
| Amounts written off investments and loans            |      | (523,356)           | (393,614)               |
| Profit on disposal of investments                    |      | 1,804,284           | 2,828,415               |
| Interest received                                    |      | 323,914             | 302,478                 |
| Other finance costs                                  | 12   | <u>(227,220)</u>    | <u>(203,593)</u>        |
| <b>PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION</b> |      | <b>9,334</b>        | <b>1,477,632</b>        |
| Tax on profit on ordinary activities                 | 4    | <u>-</u>            | <u>-</u>                |
| <b>PROFIT FOR THE FINANCIAL YEAR</b>                 | 10   | <u><b>9,334</b></u> | <u><b>1,477,632</b></u> |

The notes on pages 8 to 15 form part of these financial statements



**OCEANA INVESTMENT CORPORATION LIMITED**

**STATEMENT OF TOTAL RECOGNISED GAINS AND LOSSES  
FOR THE YEAR ENDED 31 MARCH 2012**

---

|   | <b>2012</b>            | <b>2011</b>             |
|---|------------------------|-------------------------|
|   | <b>£</b>               | <b>£</b>                |
| <b>PROFIT FOR THE FINANCIAL YEAR</b>                              | <b>9,334</b>           | <b>1,477,632</b>        |
| Actuarial loss for the year                                       | <b>(22,427)</b>        | <b>(156,243)</b>        |
| Unrealised surplus on revaluation of fixed asset investments      | <u><b>-</b></u>        | <u><b>795,202</b></u>   |
| <b>TOTAL RECOGNISED GAINS AND LOSSES RELATING TO<br/>THE YEAR</b> | <u><b>(13,093)</b></u> | <u><b>2,116,591</b></u> |

The notes on pages 8 to 15 form part of these financial statements

# OCEANA INVESTMENT CORPORATION LIMITED

## BALANCE SHEET AS AT 31 MARCH 2012

|   | Note | £                | 2012<br>£               | £                 | 2011<br>£                |
|---|------|------------------|-------------------------|-------------------|--------------------------|
| <b>FIXED ASSETS</b>   |      |                  |                         |                   |                          |
| Tangible assets   | 5    |                  | 197,255                 |                   | 283,158                  |
| Investments   | 6    |                  | <u>122,002</u>          |                   | <u>4,159,542</u>         |
|   |      |                  | <b>319,257</b>          |                   | <b>4,442,700</b>         |
| <b>CURRENT ASSETS</b>   |      |                  |                         |                   |                          |
| Debtors   | 7    | 893,705          |                         | 11,462,617        |                          |
| Cash at bank  |      | <u>6,573,902</u> |                         | <u>2,006,242</u>  |                          |
|   |      | <b>7,467,607</b> |                         | <b>13,468,859</b> |                          |
| <b>CREDITORS:</b> amounts falling due within one year           | 8    | <u>(243,544)</u> |                         | <u>(212,791)</u>  |                          |
| <b>NET CURRENT ASSETS</b>                                       |      |                  | <u><b>7,224,063</b></u> |                   | <u><b>13,256,068</b></u> |
| <b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>                    |      |                  | <b>7,543,320</b>        |                   | <b>17,698,768</b>        |
| Defined benefit pension scheme liability                        | 12   |                  | <u>(4,272,948)</u>      |                   | <u>(4,244,470)</u>       |
| <b>NET ASSETS INCLUDING PENSION SCHEME ASSETS/(LIABILITIES)</b> |      |                  | <u><b>3,270,372</b></u> |                   | <u><b>13,454,298</b></u> |
| <b>CAPITAL AND RESERVES</b>                                     |      |                  |                         |                   |                          |
| Called up share capital   | 9    |                  | 6,536,764               |                   | 20,000,000               |
| Revaluation reserve   | 10   |                  | 5,313                   |                   | 2,012,861                |
| Profit and loss account   | 10   |                  | <u>(3,271,705)</u>      |                   | <u>(8,558,563)</u>       |
| <b>SHAREHOLDERS' FUNDS</b>                                      |      |                  | <u><b>3,270,372</b></u> |                   | <u><b>13,454,298</b></u> |

The financial statements have been prepared in accordance with the special provisions relating to companies subject to the small companies regime within Part 15 of the Companies Act 2006 and in accordance with the Financial Reporting Standard for Smaller Entities (effective April 2008)

The financial statements were approved and authorised for issue by the board and were signed on its behalf by

**M Lewis**  
Director



17 OCT 2012

**Date:**

The notes on pages 8 to 15 form part of these financial statements

## **OCEANA INVESTMENT CORPORATION LIMITED**

### **NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2012**

#### **1. ACCOUNTING POLICIES**

##### **1.1 Basis of preparation of financial statements**

The financial statements have been prepared under the historical cost convention, modified by the revaluation of fixed asset investments and financial instruments (including derivative instruments) at fair value, and in accordance with the Financial Reporting Standard for Smaller Entities (effective April 2008)

The financial statements contain information about Oceana Investment Corporation Limited as an individual company and do not contain consolidated financial information as the parent of a group. The company is exempt under section 399 of the Companies Act 2006 from the requirements to prepare consolidated financial statements given the company is subject to the small companies regime.

The directors have reviewed the company's budgeted trading for the forthcoming 12 months in conjunction with the availability of working capital and is satisfied that it is appropriate to prepare the company's financial statements on a going concern basis.

##### **1.2 Turnover**

Turnover, derived from the principal activities of the company, represents dividends receivable and management fees receivable.

The geographical analysis of turnover is

|              | <b>2012</b>    | <b>2011</b> |
|--------------|----------------|-------------|
|              | <b>£</b>       | <b>£</b>    |
| Europe       | <b>426,891</b> | 111,489     |
| Africa       | <b>134,237</b> | 328,040     |
| Australia    | <b>223,811</b> | 218,796     |
| <b>Total</b> | <b>784,939</b> | 658,325     |

Dividends and management fees are recognised when the company becomes entitled to them.

##### **1.3 Cash flow**

The financial statements do not include a Cash flow statement because the company, as a small reporting entity, is exempt from the requirement to prepare such a statement under the Financial Reporting Standard for Smaller Entities (effective April 2008).

##### **1.4 Tangible fixed assets and depreciation**

Tangible fixed assets are stated at cost or valuation less depreciation. Depreciation is provided at rates calculated to write off the cost or valuation of fixed assets, less their estimated residual value, over their expected useful lives on the following bases:

|                                  |   |                      |
|----------------------------------|---|----------------------|
| Buildings                        | - | 6% straight line     |
| Motor vehicles                   | - | 20% straight line    |
| Fixtures, fittings and equipment | - | 20-33% straight line |

## **OCEANA INVESTMENT CORPORATION LIMITED**

### **NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2012**

---

#### **1. ACCOUNTING POLICIES (continued)**

##### **1.5 Operating leases**

Rentals under operating leases are charged to the Profit and loss account on a straight line basis over the lease term

Benefits received and receivable as an incentive to sign an operating lease are recognised on a straight line basis over the period until the date the rent is expected to be adjusted to the prevailing market rate

##### **1.6 Deferred taxation**

Full provision is made for deferred tax assets and liabilities arising from all timing differences between the recognition of gains and losses in the financial statements and recognition in the tax computation

Deferred tax is not provided on timing differences arising from the revaluation of fixed assets in the financial statements.

A net deferred tax asset is recognised only if it can be regarded as more likely than not that there will be suitable taxable profits from which the future reversal of the underlying timing differences can be deducted

Deferred tax assets and liabilities are calculated at the tax rates expected to be effective at the time the timing differences are expected to reverse

Deferred tax assets and liabilities are not discounted

##### **1.7 Foreign currencies**

Monetary assets and liabilities denominated in foreign currencies are translated into sterling at rates of exchange ruling at the balance sheet date

Transactions in foreign currencies are translated into sterling at the rate ruling on the date of the transaction

Exchange gains and losses are recognised in the Profit and loss account

##### **1.8 Pensions**

The company operates a defined contribution pension scheme and the pension charge represents the amounts payable by the company to the fund in respect of the year

The company operates an unfunded defined benefits pension scheme relating to a former director and the pension loss is based on an actuarial valuation dated 27 September 2011

Defined benefit scheme liabilities are measured on an actuarial basis using the projected unit method. The liabilities comprise benefits promised under the formal terms of the scheme. The net liability after deferred tax is recognised in the balance sheet

The assumptions underlying the valuation are set out in note 12

# **OCEANA INVESTMENT CORPORATION LIMITED**

## **NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2012**

### **1. ACCOUNTING POLICIES (continued)**

#### **1.9 Fixed asset investments**

Listed investments are stated at market prices at the balance sheet date. Unlisted investments are valued by the directors at the year end where no quoted price exists for them. The excess over cost of such valuations (if any) is credited to a revaluation reserve. Any provision for permanent diminution in value below cost is charged to the profit and loss account. On disposal of a revalued investment the gain or loss, calculated as the difference between the cost price and the selling price of the investment, is taken to the profit and loss account.

Shares in group undertakings and loans to group undertakings are shown at cost less provision for impairment.

#### **1.10 Investment income**

Interest from fixed interest securities and bank deposits is taken to income on the accruals basis. Franked investment income received is inclusive of the related tax credit.

### **2. OPERATING LOSS**

The operating loss is stated after charging or crediting

|  | <b>2012</b>   | <b>2011</b>     |
|--|---------------|-----------------|
|  | <b>£</b>      | <b>£</b>        |
| Depreciation of tangible fixed assets      |               |                 |
| - owned by the company                     | <b>87,316</b> | <b>91,403</b>   |
| Auditors' remuneration                     | <b>9,500</b>  | <b>9,500</b>    |
| Pension costs                              | <b>51,359</b> | <b>176,547</b>  |
| Profit on financial instrument derivatives | <b>-</b>      | <b>(25,534)</b> |

### **3. DIRECTORS' REMUNERATION**

|                      | <b>2012</b>    | <b>2011</b>    |
|----------------------|----------------|----------------|
|                      | <b>£</b>       | <b>£</b>       |
| Aggregate emoluments | <b>405,000</b> | <b>405,000</b> |

**OCEANA INVESTMENT CORPORATION LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2012**

**4. TAXATION**

|                            | <b>2012</b> | <b>2011</b> |
|----------------------------|-------------|-------------|
|                            | <b>£</b>    | <b>£</b>    |
| Tax on ordinary activities | -           | -           |

The company has not recognised a potential deferred tax asset with respect to tax losses of approximately £1.7m (2011: £1.3m) as it is considered more likely than not that suitable taxable profits will not be available in the foreseeable future to offset the losses carried forward. In accordance with FRS19, the directors will continue to assess in the future whether deferred tax assets should be recognised in respect of this item.

**5. TANGIBLE FIXED ASSETS**

|                       | <b>Land and<br/>buildings<br/>£</b> | <b>Fixtures &amp;<br/>fittings<br/>£</b> | <b>Total<br/>£</b> |
|-----------------------|-------------------------------------|--|--------------------|
| <b>Cost</b>           |                                     |  |                    |
| At 1 April 2011       | 100,000                             | 426,164                                  | 526,164            |
| Additions             | -                                   | 1,413                                    | 1,413              |
| At 31 March 2012      | <u>100,000</u>                      | <u>427,577</u>                           | <u>527,577</u>     |
| <b>Depreciation</b>   |                                     |  |                    |
| At 1 April 2011       | 25,800                              | 217,206                                  | 243,006            |
| Charge for the year   | <u>6,450</u>                        | <u>80,866</u>                            | <u>87,316</u>      |
| At 31 March 2012      | <u>32,250</u>                       | <u>298,072</u>                           | <u>330,322</u>     |
| <b>Net book value</b> |                                     |  |                    |
| At 31 March 2012      | <u>67,750</u>                       | <u>129,505</u>                           | <u>197,255</u>     |
| At 31 March 2011      | <u>74,200</u>                       | <u>208,958</u>                           | <u>283,158</u>     |

**OCEANA INVESTMENT CORPORATION LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2012**

**6. FIXED ASSET INVESTMENTS**

|                                     | Listed<br>investments<br>£ | Unlisted<br>investments<br>£ | Subsidiary<br>company<br>£ | Total<br>£     |
|-------------------------------------|----------------------------|------------------------------|----------------------------|----------------|
| <b>Cost or valuation</b>            |                            |                              |                            |                |
| At 1 April 2011                     | 4,138,692                  | 20,849                       | 1                          | 4,159,542      |
| Loans made                          | -                          | -                            | 367,284                    | 367,284        |
| Disposals                           | (4,028,606)                | -                            | -                          | (4,028,606)    |
| Revaluations                        | -                          | (3,072)                      | -                          | (3,072)        |
| Provisions against irrecoverability | -                          | -                            | (367,284)                  | (367,284)      |
| Amounts written back                | (5,862)                    | -                            | -                          | (5,862)        |
| At 31 March 2012                    | <u>104,224</u>             | <u>17,777</u>                | <u>1</u>                   | <u>122,002</u> |

**Subsidiary undertakings**

The following was a subsidiary undertaking of the company

| Name  | Class of shares | Holding |
|---|-----------------|---------|
| Oceana Investments (Asia Pacific) Pty Ltd - registered in Australia | Ordinary        | 100%    |

The aggregate of the share capital and reserves as at 29 February 2012 and of the profit or loss for the period 1 March 2011 to 29 February 2012 for the subsidiary undertaking was as follows

| Name                                      | Aggregate of share<br>capital and reserves<br>AUD \$ | Profit/(loss)<br>AUD \$ |
|---|--|-------------------------|
| Oceana Investments (Asia Pacific) Pty Ltd | <u>(874,763)</u>                                     | <u>(262,363)</u>        |

**Listed investments**

The market value of the listed investments at 31 March 2012 was £104,224 (2011 £4,138,692)

The historical cost of listed investments at 31 March 2012 was £98,912 (2011 £4,574,772)

**OCEANA INVESTMENT CORPORATION LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2012**

**7. DEBTORS**

|                                     | 2012<br>£      | 2011<br>£         |
|-------------------------------------|----------------|-------------------|
| <b>Due after more than one year</b> |                |                   |
| Other debtors                       | 527,271        | 383,168           |
| <b>Due within one year</b>          |                |                   |
| Trade debtors                       | 123,584        | 106,611           |
| Other debtors and prepayments       | 242,850        | 10,972,838        |
|                                     | <u>893,705</u> | <u>11,462,617</u> |

At 31 March 2011 other debtors included an amount of £680,000 due from Michael Lewis on an interest bearing loan which was repaid in full together with interest on 17 November 2011

**8 CREDITORS:  
Amounts falling due within one year:**

|                                 | 2012<br>£      | 2011<br>£      |
|---------------------------------|----------------|----------------|
| Trade creditors                 | 157,661        | 138,833        |
| Social security and other taxes | 63,758         | 42,378         |
| Other creditors                 | 22,125         | 31,580         |
|                                 | <u>243,544</u> | <u>212,791</u> |

Included in other creditors was an amount owed to directors of £3,933 (2011 £12,076)

**9. SHARE CAPITAL**

|   | 2012<br>£        | 2011<br>£         |
|---|------------------|-------------------|
| <b>Allotted, called up and fully paid</b> |                  |                   |
| 20,000,000 - Ordinary shares of £1 each   | -                | <u>20,000,000</u> |
| 6,536,764 - A Ordinary shares of £1 each  | <u>6,536,764</u> |                   |

On 29 November 2011 a special resolution was passed by the company by which -

- a 6,536,764 ordinary shares of £1 each were re-designated as A ordinary shares of £1 each
- b 13,463,236 ordinary shares of £1 each were converted into B ordinary shares of £1 each. The B ordinary shares were sub-divided into B1 shares with a nominal value of £0.606339 and B2 shares with a value of £0.393661



# OCEANA INVESTMENT CORPORATION LIMITED

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2012

### 9. SHARE CAPITAL ( continued)

The B1 shares were then cancelled and capital of £8,163,285 returned to shareholders and the B2 ordinary shares were also cancelled with the creation of a reserve of £5,299,951 which was offset against the Company's accumulated deficit on the Profit and Loss account

### 10. RESERVES

|  | Revaluation<br>reserve<br>£ | Profit and<br>loss account<br>£ |
|--|-----------------------------|---------------------------------|
| At 1 April 2011  | 2,012,861                   | (8,558,563)                     |
| Profit for the year  | -                           | 9,334                           |
| Actuarial loss for defined benefit pension scheme                  | -                           | (22,427)                        |
| Cancellation of share capital ( see note 9)                        | -                           | 5,299,951                       |
| Revaluation reserve released on disposal of fixed asset investment | <u>(2,007,548)</u>          | <u>-</u>                        |
| At 31 March 2012   | <u><u>5,313</u></u>         | <u><u>(3,271,705)</u></u>       |

### 11. CONTINGENT LIABILITIES

Oceana Investment Corporation Limited has executed a guarantee in favour of ING Bank securing the obligations of a former group undertaking (Gaucho Nederland BV) in respect of facilities provided to that company by ING Bank. The maximum amount of the exposure amounted to approximately €572,000 (2011 €900,000)

### 12. PENSION COMMITMENTS

The contributions paid by the company to the defined contribution scheme amounted to £28,932 (2011 £20,304)

The company operates a defined benefit pension scheme, which is unfunded

The pension cost and provision for the year ending 31 March 2012 are based on the advice of a professionally qualified actuary. The most recent valuation is dated 27 September 2011

|  | 2012<br>£               | 2011<br>£               |
|--|-------------------------|-------------------------|
| <b>Movements in provision during the year:</b> |                         |                         |
| At beginning of year                           | 4,244,470               | 4,096,772               |
| Benefits paid                                  | (221,169)               | (212,138)               |
| Other finance costs                            | 227,220                 | 203,593                 |
| Actuarial loss                                 | 22,427                  | 156,243                 |
|  | <u>4,272,948</u>        | <u>4,244,470</u>        |
| At end of year                                 | <u><u>4,272,948</u></u> | <u><u>4,244,470</u></u> |

---

## OCEANA INVESTMENT CORPORATION LIMITED

### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2012

---

#### 12. PENSION COMMITMENTS (continued)

The financial assumptions used to assess the present value of the obligation are

|  |                |
|--|----------------|
| Rate of increase of pension in payment | 4% per annum   |
| Discount rate                          | 5.5% per annum |

The most significant demographic assumption underlying the valuation is mortality. The mortality tables used are PNMA00 (males) and PNFA00 (females). The mortality improvement allowance is in line with the 'Medium Cohort' adjustment to these tables, subject to a minimum improvement of 0.5% per annum.

#### 13. OPERATING LEASE COMMITMENTS

At 31 March 2012 the company had annual commitments for land and buildings under non cancellable operating leases as follows

|                       | 2012<br>£ | 2011<br>£      |
|-----------------------|-----------|----------------|
| <b>Expiry date:</b>   |           |                |
| Less than 2 years     | 326,100   | -              |
| Between 2 and 5 years | <u>-</u>  | <u>326,100</u> |

#### 14. RELATED PARTIES

Michael Lewis is a partner of Oceana Capital Partners LLP and Oceana Investment Partners LLP.

During the year, the company recharged at arms length expenses amounting to £423,358 (2011 £383,868) to Oceana Capital Partners LLP with £ Nil (2011 £87,069) outstanding at the year end, and recharged at arms length expenses amounting to £13,014 (2011 £Nil) to Oceana Investment Partners LLP with £3,607 (2011 £Nil) outstanding at the year end.

The company received £8,033 (2011 £ Nil) in respect of accounting services from Oceana Investment Partners LLP. The company paid advisory fees of £80,000 (2011 £ Nil) to Oceana Investment Partners LLP.

Michael Lewis is a director of Strandbags Holdings Limited. During the year, the company received management fees of £223,811 (2011 £218,796) from Strandbags. There were no amounts outstanding at 31 March 2012 (2011 £Nil).

#### 15. ULTIMATE PARENT UNDERTAKING AND CONTROLLING PARTY

At the year end the directors consider that the ultimate controlling party is Stanley & Zea Lewis Trust.